

# What is new about our performance management program?

- ► Performance ratings *and pay increases* are determined by your results.
- ► Measurable goals are the foundation of this new program.
- ► The objective of the program is continuous improvement—reaching higher targets each year.





### Performance Appraisals Delivered in 2007!

- When?
  - January 2007 for front-line employees
  - April 2007 for PAT 3 and above, SAMPAT, and executives
- ► How?
  - You meet with your supervisor to review your annual performance evaluation.
  - You learn what performance increase you will receive.
  - You and your supervisor develop your work profile for 2007.



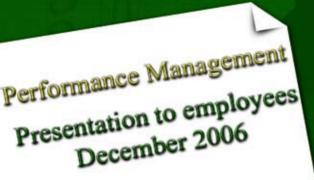
#### Performance Evaluation Schedule

9	Evaluation Period	Pay Raise Received
January Eligible Employees	1/1/06 – 12/31/06	Jan 17, 2007 ("B") Jan 24, 2007 ("A")
April Eligible Employees	4/1/06 – 3/31/07	April 11, 2007 ("B") April 18, 2007 ("A")



- Did you have a work profile for 2006?
  - If so, the performance expectations on the evaluation should be the same as on the work profile.
  - If you did not have a work profile, your supervisor could use performance expectations contained in your job description.
  - For 2007, every employee should have a work profile.

- **▶** What does the overall rating reflect?
  - It measures the results of your work (Performance Expectations) and how you performed the work (General Factors).
  - It is not a mathematical formula—your management decides how important each performance expectation is and what additional general factors to include, beyond the standard factors.





- What does a rating of "Meets Expectations" mean?
  - It means that you are meeting ALL significant performance expectations of your job.
  - It is a very good rating!
  - Most employees will receive this rating and receive a 4% pay increase—double what the general salary adjustment was last year.

- ► Who receives a rating of "Exceeds Expectation"?
  - Only those employees who are exceeding ALL significant performance expectations of their job.
  - These are the employees we often think of as the "superstars." How many of these do you know???

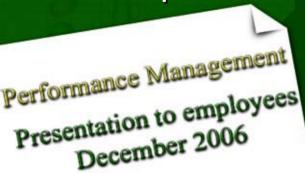




- What if you receive an overall rating of "Does Not Meet Expectations....are you about to be fired?
  - No! But the ball is in your court to make some changes.
  - This rating is given to any employee who is not meeting any one or more significant performance expectations of their job.
  - You will be given a work improvement plan to address the area(s) not performed up to par.
  - You are expected to bring your performance up to expectations and if you don't, there will be consequences.

### Why are we doing this?

- ► This program enables managers to more precisely define the work to be performed to meet the agency's strategic objectives.
- ► It differentiates performance and the rewards that are associated with performance.
  - Exactly opposite of our old practices where everyone treated the same--pay increases now depend on what you accomplish.





# Distribution of Expected Ratings

- More than 30,000 employees will participate in this program.
- We expect to see a normal distribution of ratings, using accepted statistical methods.
- ➤ That means that about 80% of the workforce will be in the Meets Expectations category, which covers a broad range of performance. About 10% will be at each end.

#### Why is the Distribution Important?

- ► The money available for these increases is not a bottomless pit! Because of the generous pay increases tied to this program, if our results don't mirror a normal distribution, we will not have enough money to reward our employees.
- ► There is no reason to think the state employee population is different from a normal distribution.
- Supervisors and managers are still learning how to measure performance in this new system and the distribution is a good check on whether we are doing it correctly.
- ▶ But common sense will always prevail!



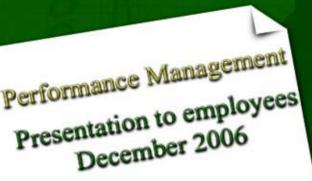


# This program requires employee involvement

- Performance management is an interactive process done with an employee, not to an employee.
- Employees need to understand their role.

### Employee Role

- Be involved in establishing your work profile
  - Ask questions to make sure you understand each performance expectation and general factor.
  - Be sure you completely understand how each performance expectation and factor will be measured, what result will earn a rating of "Meets Expectation"
  - If you don't have a work profile within the first month of the "review year" keep asking when you can meet to put one together.





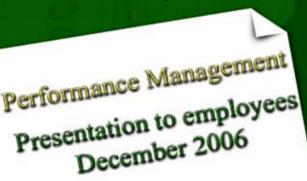
### Employee Role

Bring to your supervisor's attention, conditions or circumstances that are changing during the review year, which could impact your ability to complete a performance expectation.

Ask your supervisor periodically how you are doing and ask for at least one meeting mid- way through the review period to review how your performance is measuring up.

### Employee Role

- ▶ If you disagree with the performance rating you received
  - Check to see if you achieved results which are not included on the evaluation—remember that this is an evaluation of results, not activities.
  - Discuss with your supervisor any questions you have about what is on the evaluation.
  - Seek out a member of your agency HR department to discuss.





### Promotions/Transfers During Review Year

- Your performance evaluation is an appraisal of your *entire year* of performance.
  - What if promoted and move to a new agency?
  - What if transferred to a new agency and no work profile existed in the old agency?
  - What if still on a working test for a new merit position, even though worked for the State the entire year.
- ▶ Both agencies must contribute to the evaluation. Typically, an agency will send an interim evaluation when an employee transfers.



- ► Those employed at least 6 months will be reviewed on schedule with their peers, but any potential increase will be pro rated down to reflect less than a full year of performance.
- ► Those employed less than 6 months will wait until next year to be reviewed and any potential increase will be pro-rated up to reflect more than 12 months of performance.





#### Further questions after today?

Talk with your supervisor, your agency human resources professional or log onto the performance management web page:

http://www.in.gov.jobs/employeerelations/perf\_app\_info.html